

**CONSOLIDATED INSURANCE TRUST**  
**INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2002**

|                                 | Month Ended 7/31/2002 |        |            |         |         | Current Fiscal Year-to-Date |         | Prior Year FY02 |         | 3 Years Ended | 5 Years Ended |
|---------------------------------|-----------------------|--------|------------|---------|---------|-----------------------------|---------|-----------------|---------|---------------|---------------|
|                                 | Allocation            |        |            | Returns |         | Returns                     |         | Returns         |         | 6/30/2002 Net | 6/30/2002 Net |
|                                 | Market Value          | Actual | Policy (1) | Gross   | Net     | Gross                       | Net     | Gross           | Net     |               |               |
| LARGE CAP DOMESTIC EQUITY       |                       |        |            |         |         |                             |         |                 |         |               |               |
| Structured Growth               |                       |        |            |         |         |                             |         |                 |         |               |               |
| AllianceBernstein               | 15,050,949            | 1.6%   | 1.9%       | -7.08%  | -7.10%  | -7.08%                      | -7.10%  | -28.37%         | -28.65% | -16.80%       | N/A           |
| Russell 1000 Growth             |                       |        |            | -5.50%  | -5.50%  | -5.50%                      | -5.50%  | -26.49%         | -26.49% | -16.15%       | N/A           |
| Structured Value                |                       |        |            |         |         |                             |         |                 |         |               |               |
| LSV                             | 17,082,899            | 1.8%   | 1.9%       | -8.43%  | -8.45%  | -8.43%                      | -8.45%  | 2.90%           | 2.41%   | 5.40%         | N/A           |
| Russell 1000 Value              |                       |        |            | -9.30%  | -9.30%  | -9.30%                      | -9.30%  | -8.96%          | -8.96%  | -2.92%        | N/A           |
| S&P 500 Index                   |                       |        |            |         |         |                             |         |                 |         |               |               |
| State Street                    | 72,223,047            | 7.5%   | 8.6%       | -7.77%  | -7.77%  | -7.77%                      | -7.77%  | -17.99%         | -18.03% | -9.27%        | 3.58%         |
| S&P 500                         |                       |        |            | -7.80%  | -7.80%  | -7.80%                      | -7.80%  | -17.99%         | -17.99% | -9.18%        | 3.67%         |
| TOTAL LARGE CAP DOMESTIC EQUITY | 104,356,895           | 10.8%  | 12.3%      | -7.78%  | -7.79%  | -7.78%                      | -7.79%  | -16.75%         | -16.89% | -8.30%        | 3.74%         |
| S&P 500                         |                       |        |            | -7.80%  | -7.80%  | -7.80%                      | -7.80%  | -17.99%         | -17.99% | -9.18%        | 3.67%         |
| SMALL CAP DOMESTIC EQUITY       |                       |        |            |         |         |                             |         |                 |         |               |               |
| Manager-of-Managers             |                       |        |            |         |         |                             |         |                 |         |               |               |
| SEI                             | 48,524,491            | 5.0%   | 5.9%       | -13.61% | -13.68% | -13.61%                     | -13.68% | -10.97%         | -12.92% | N/A           | N/A           |
| Russell 2000 + 200bp            |                       |        |            | -14.93% | -14.93% | -14.93%                     | -14.93% | -7.96%          | -7.96%  | N/A           | N/A           |
| TOTAL SMALL CAP DOMESTIC EQUITY | 48,524,491            | 5.0%   | 5.9%       | -13.61% | -13.68% | -13.61%                     | -13.68% | -10.90%         | -12.92% | 1.75%         | 4.02%         |
| Russell 2000                    |                       |        |            | -15.10% | -15.10% | -15.10%                     | -15.10% | -8.59%          | -8.59%  | 1.67%         | 4.44%         |
| CONVERTIBLES                    |                       |        |            |         |         |                             |         |                 |         |               |               |
| TCW                             | 99,791,001            | 10.3%  | 11.8%      | -7.18%  | -7.22%  | -7.18%                      | -7.22%  | -19.94%         | -20.37% | -2.22%        | N/A           |
| First Boston Convertible Index  |                       |        |            | -6.25%  | -6.25%  | -6.25%                      | -6.25%  | -12.44%         | -12.44% | 0.11%         | N/A           |
| INTERNATIONAL EQUITY            |                       |        |            |         |         |                             |         |                 |         |               |               |
| Large Cap - Active              |                       |        |            |         |         |                             |         |                 |         |               |               |
| Capital Guardian                | 71,945,888            | 7.4%   | 8.2%       | -10.15% | -10.19% | -10.15%                     | -10.19% | -11.65%         | -12.10% | -2.96%        | 2.87%         |
| MSCI EAFE - 50% Hedged          |                       |        |            | -10.04% | -10.04% | -10.04%                     | -10.04% | -14.62%         | -14.62% | -7.32%        | -1.89%        |
| DOMESTIC FIXED INCOME           |                       |        |            |         |         |                             |         |                 |         |               |               |
| Core Bond                       |                       |        |            |         |         |                             |         |                 |         |               |               |
| Western Asset                   | 296,395,253           | 30.6%  | 29.0%      | -0.19%  | -0.21%  | -0.19%                      | -0.21%  | 8.58%           | 8.36%   | 8.53%         | 7.80%         |
| Lehman Aggregate                |                       |        |            | 1.21%   | 1.21%   | 1.21%                       | 1.21%   | 8.62%           | 8.62%   | 8.10%         | 7.57%         |
| Index                           |                       |        |            |         |         |                             |         |                 |         |               |               |
| Bank of ND                      | 159,326,947           | 16.4%  | 14.6%      | 1.32%   | 1.32%   | 1.32%                       | 1.32%   | 8.44%           | 8.38%   | 7.79%         | 7.42%         |
| Bank of ND CD'S                 | 27,427,808            | 2.8%   | 2.8%       | 0.29%   | 0.29%   | 0.29%                       | 0.29%   | 5.04%           | 5.04%   | 5.55%         | 5.48%         |
| Total Index                     | 186,754,754           | 19.3%  | 17.4%      | 1.22%   | 1.22%   | 1.22%                       | 1.22%   | 8.20%           | 8.14%   | 7.66%         | 7.30%         |
| Lehman Gov/Corp                 |                       |        |            | 1.20%   | 1.20%   | 1.20%                       | 1.20%   | 8.24%           | 8.24%   | 7.86%         | 7.47%         |
| BBB Average Quality             |                       |        |            |         |         |                             |         |                 |         |               |               |
| Strong                          | 115,921,585           | 12.0%  | 11.6%      | -1.68%  | -1.70%  | -1.68%                      | -1.70%  | N/A             | N/A     | N/A           | N/A           |
| Lehman US Credit BAA            |                       |        |            | -2.23%  | -2.23%  | -2.23%                      | -2.23%  | N/A             | N/A     | N/A           | N/A           |
| TOTAL DOMESTIC FIXED INCOME     | 599,071,592           | 61.8%  | 58.0%      | -0.06%  | -0.07%  | -0.06%                      | -0.07%  | 7.71%           | 7.55%   | 7.88%         | 7.42%         |
| Lehman Gov/Corp                 |                       |        |            | 1.21%   | 1.21%   | 1.21%                       | 1.21%   | 8.24%           | 8.24%   | 7.86%         | 7.47%         |
| CASH EQUIVALENTS                |                       |        |            |         |         |                             |         |                 |         |               |               |
| Bank of ND                      | 45,619,875            | 4.7%   | 3.8%       | 0.16%   | 0.16%   | 0.16%                       | 0.16%   | 2.41%           | 2.41%   | 4.76%         | 4.99%         |
| 90 Day T-Bill                   |                       |        |            | 0.15%   | 0.15%   | 0.15%                       | 0.15%   | 2.63%           | 2.63%   | 4.68%         | 4.84%         |
| TOTAL INSURANCE TRUST           | 969,309,743           | 100.0% | 100.0%     | -3.31%  | -3.33%  | -3.31%                      | -3.33%  | -1.49%          | -1.80%  | 3.70%         | 6.66%         |
| POLICY TARGET BENCHMARK         |                       |        |            | -2.71%  | -2.71%  | -2.71%                      | -2.71%  | -0.22%          | -0.22%  | 3.61%         | 6.46%         |

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.